CITY OF ELGIN, OREGON

RESOLUTION 1110 (2001)

A RESOLUTION OF THE CITY COUNCIL
ELECTING TO MAKE APPLICATION FOR ENTRY INTO
OPERS STATE & LOCAL GOVERNMENT RATE POOL

WHEREAS: The Oregon Legislative Assembly adopted Senate Bill 134 allowing Oregon local government PERS employers to pool their pension costs with the state of Oregon; and,

WHEREAS: the Board of Trustees of the Public Employees Retirement System (PERS) has adopted Oregon Administrative Rule 459-009-0070, which allows formation of a State & Local Government Rate Pool; and,

WHEREAS: The Elgin City Council has determined that participation in this pool is a prudent action for the City to take; and,

WHEREAS: The projected composite rate for employers enrolled in the pool is approximately 10.04% of payroll, an increase of 80% above the current City of Elgin rate of 6%; and,

WHEREAS: The transitional liability, on December 31, 2000, to the pool for the City of Elgin is calculated to be <$670,825>, (a credit in the City's favor); and,

WHEREAS: It is intended by OPERS that pool members amortize their liabilities (or credits) over a period of 27 years, adding to (or subtracting from) the base rates as necessary to reach a net balance of zero at the end of the 27 year period; and,

WHEREAS: The credit due the City of Elgin, does not diminish even when the City's rate to the pool is set to 0.0%, but continues to increase throughout the 27 year period to a projected balance of over $1,600,000.

NOW THEREFORE BE IT RESOLVED:
That the City of Elgin (OPERS employer number 2205) has, by duly adopted motion of the City Council meeting in regular session, elected to apply for acceptance into the OPERS State & Local Government Rate Pool; and,

BE IT FURTHER RESOLVED:
That upon acceptance into the pool, OPERS secure the City's "transitional liability" credit for the exclusive benefit of the City of Elgin and/or its employees;
and,
That OPERS pursue special legislation or rule change that will allow a refund to the City and/or distribution to City of Elgin's vested employees, of the City's excess transitional credit beyond that required to reduce the City's employer rate to 6% or less.

PASSED AND ADOPTED this 13th day of November, 2001
With 6 Ayes, Ø Nays, Ø Abstentions, 1 Absent.

Signed; _____
John Braughton, Council President

Attest; _____ 11-13-2001
Joe Garlitz, Recorder/Administrator